



ND-1CR Calculation of credit for income tax paid to another state

2001

Attach to Form ND-1

Please type or print in black or blue ink. Enter one letter or number in each box.

Your name as shown on Form ND-1

Your social security number

 - -

Name of state or U.S. territory to which you paid tax on income that is also taxed by North Dakota

Full-year resident and part-year resident

See instructions on back of this schedule.

1. Enter the portion of your federal adjusted gross income that you earned or received while a North Dakota resident and reported to the other state (See instructions) -----

US Dollars
(S8) 1 , , .

2. Enter the applicable amount for your residency status as instructed below ----- (SJ) 2

, , .

- **Full-year resident** - Enter the amount from Form ND-1, line E, after reducing it by any interest from U.S. obligations on Form ND-1, line 6.

- **Part-year resident** - Enter the amount from Schedule ND-1NR, line 16.

3. Divide line 1 by line 2. Round to nearest two decimal places. If line 1 is more than line 2, enter 1.00 -----

3 .

4. Enter the amount of your North Dakota tax from Form ND-1, line 14 -----

4 , , .

5. Multiply line 4 by line 3 -----

(SL) 5 , , .

6. Enter the amount of income tax from the other state's return (See instructions) -----

(SM) 6 , , .

- If a **full-year resident**, go to line 7.
- If a **part-year resident**, skip line 7 and complete lines 8 through 11.

Full-year resident only

7. **Credit** - Enter the smaller of line 5 or line 6. Enter this amount on Form ND-1, line 16 -----

7 , , .

Part-year resident only

8. Enter the portion of your federal adjusted gross income that you reported to the other state -----

(SK) 8 , , .

9. Divide line 1 by line 8. Round to nearest two decimal places. If line 1 is more than line 8, enter 1.00 -----

9 .

10. Multiply line 6 by line 9 -----

(S9) 10 , , .

11. **Credit** - Enter the smaller of line 5 or line 10. Enter this amount on Form ND-1, line 16 -----

11 , , .

To obtain this credit, you must attach the following to your Form ND-1:

- **Schedule ND-1CR.**
- **A copy of the income tax return filed with the other state.**

General instructions

Who is eligible

You may be eligible for a credit for income tax paid to another state if both of the following apply:

- You were a North Dakota resident for all or part of the 2001 tax year.
- You are required to pay income tax for the 2001 tax year to North Dakota and to another state on the *same income*.

Part-year resident—If you were a part-year resident of North Dakota during the 2001 tax year, the credit is available only if the income taxed by both North Dakota and the other state was earned or received during the time you were a North Dakota resident.

Definition of state—For purposes of this credit, “state” means any of the other 49 states, the District of Columbia, or a territory of the United States. This credit is not available for income tax paid to a local government (such as a city, county, or school district), nor is it available for income tax paid to the national government of Canada or any of its provinces or other political subdivisions.

Other state’s return—The credit is allowed only if you file an income tax return with the other state. The credit is not allowed based solely on the amount of the other state’s income tax withheld from your wages, nor on the amount of estimated income tax paid to the other state. Part or all of any of the other state’s income tax withheld or paid as an estimate may be refunded to you depending on the actual income tax liability calculated on the other state’s income tax return.

You must attach a copy of the other state’s income tax return along with this schedule to your Form ND-2 to obtain the credit.

Joint filers having different states of residence. If you and your spouse file a joint return and had different states of residence during 2001, this credit is available to the spouse who is either a full-year resident or part-year resident of North Dakota.

Payment of income tax to more than one other state

If you pay income tax on the same income to North Dakota and to more than one other state for the 2001 tax year, you must complete a separate Schedule ND-1CR for each of the other states. Fill in the total of the separately calculated credit amounts on Form ND-1, line 16.

Did you work in Montana?

If you worked in Montana while a resident of North Dakota, the wages you receive for this work are not taxable by Montana under the income tax reciprocity agreement between Montana and North Dakota. If your employer withheld Montana income tax from the wages you received for work performed in Montana while a North Dakota resident, do not complete this schedule. Instead, you must file a Montana individual income tax return to obtain a refund of the Montana income tax withheld.

Income other than wages from Montana sources—You may be eligible for this credit if you are required to pay income tax to Montana on income other than wages, provided you earn or receive the income while a North Dakota resident. For more information on the income tax reciprocity agreement, see Income Tax Reciprocity: Minnesota and Montana on page xx of the Form ND-1 instruction booklet.

Did you work in Minnesota?

If you worked in Minnesota while a resident of North Dakota, the wages you receive for this work are not taxable by Minnesota under the income tax reciprocity agreement between Minnesota and North Dakota, provided you maintained a home in North Dakota to which you returned at least once every month. If this applies to you, but your employer withheld Minnesota income tax from the wages you received for work performed in Minnesota while a North Dakota resident, do not complete this schedule. Instead, you must file a Minnesota individual income tax return to obtain a refund of the Minnesota income tax withheld.

Income other than wages from Minnesota sources—You may be eligible for this credit if you are required to pay income tax to Minnesota on other types of income that are not covered by the income tax reciprocity agreement between North Dakota and Minnesota, provided you earn or receive the income while a North Dakota resident. For more information on the income tax reciprocity agreement, see Income Tax Reciprocity: Minnesota and Montana on page xx of the Form ND-1 instruction booklet.

Specific line instructions

Line 1

Full-year resident: If you were a full-year resident of North Dakota for the 2001 tax year, enter on this line the amount of your federal adjusted gross income that you are required to report to the other state.

Part-year resident: If you were a part-year resident of North Dakota for the 2001 tax year, calculate the amount to enter on this line as follows:

- **Step 1**—Determine the amount of your federal adjusted gross income that you earned or received while a North Dakota resident.
- **Step 2**—Of the amount in Step 1, determine the portion that you are required to report to the other state, and enter that amount on line 1.

Federal AGI reportable to other state. Include only those items of income, gain, loss, and adjustments to income included in the calculation of federal adjusted gross income that were taken into account in calculating the income taxable by the other state. **Do not** include exemptions, standard deduction, itemized deductions, or any other adjustment to federal adjusted gross income allowed or required by the other state’s tax laws.

Line 6

Enter the amount of the income tax less any income tax credits as shown on the other state’s income tax return. Do not include on this line the amount of the other state’s income tax withheld from your wages or the amount of estimated income tax paid to the other state.

Line 7

If you completed more than one Schedule ND-1CR because you are claiming the credit for more than one other state, add the separately calculated credit amounts on all of the schedules and enter the total amount on Form ND-1, line 16.

Line 8

Include only those items of income, gain, loss, and adjustments to income included in the calculation of federal adjusted gross income that were taken into account in calculating the income taxable by the other state. **Do not** include exemptions, standard deduction, itemized deductions, or any other adjustment to federal adjusted gross income allowed or required by the other state’s tax laws.

Line 11

If you completed more than one Schedule ND-1CR because you are claiming the credit for more than one other state, add the separately calculated credit amounts on all of the schedules and enter the total amount on Form ND-1, line 16.